

Message Text

UNCLASSIFIED

PAGE 01 BONN 00661 01 OF 02 141754Z

45

ACTION EUR-25

INFO OCT-01 ISO-00 CIAE-00 DODE-00 INR-10 NSAE-00 PA-04

RSC-01 USIA-15 PRS-01 SPC-03 PM-07 NSC-10 SS-20 EB-11

COME-00 SCEM-02 SCI-06 INT-08 NEA-10 AF-10 ARA-16

EA-11 IO-14 DRC-01 CEA-02 CIEP-02 OMB-01 TRSE-00 /191 W

----- 096430

R 141743Z JAN 74

FM AMEMBASSY BONN

TO SECSTATE WASHDC 9703

INFO AMEMBASSY PARIS

AMEMBASSY LONDON

AMEMBASSY BRUSSELS

AMEMBASSY COPENHAGEN

AMEMBASSY DUBLIN

AMEMBASSY ROME

AMEMBASSY LUXEMBOURG

AMEMBASSY THE HAGUE

USMISSION EC BRUSSELS

USMISSION OECD PARIS

UNCLAS SECTION 01 OF 02 BONN 00661

E.O. 11652: N/A

TAGS: ENRG, PFOR, GW

SUBJECT: PRESS REACTION TO PRESIDENT NIXON'S PROPOSAL
FOR AN ENERGY CONFERENCE

1. SUMMARY. THE GERMAN PRESS CARRIED EXTENSIVE FACTUAL REPORTING OF THE PRESIDENT'S INITIATIVE AND THE CHANCELLOR'S BASICALLY POSITIVE RESPONSE TO IT -- ALTHOUGH MOST STORIES REPORTED COMPLAINTS THAT NOT ALL EC MEMBER STATES HAD BEEN INVITED TO PARTICIPATE. THERE HAS BEEN ONLY LIMITED EDITORIAL COMMENTARY, SOME OF WHICH WHILE WELCOMING THE PRESIDENT'S INITIATIVE, FOCUSED ON THE PROBLEMS OF FULL EC PARTICIPATION AND INDIVIDUAL COUNTRIES'DESIRE TO GO IT ALONE. A LARGE FRONT-PAGE UNCLASSIFIED

UNCLASSIFIED

PAGE 02 BONN 00661 01 OF 02 141754Z

ANALYSIS APPEARING IN THE JANUARY14 EDITION OF THE

HANDELSBLATT, FOCUSED ON THE NEGATIVE IMPACT THAT HIGHER OIL PRICES WOULD HAVE ON THE INDUSTRIAL COUNTRIES' TRADE BALANCES AND IMPLIED THAT THIS WAS THE REASON FOR THE PRESIDENTIAL INITIATIVE. END SUMMARY.

2. THE FRANKFURTER ALLGEMEINE ZEITUNG (FAZ) ON JANUARY 11, CARRIED A HEADLINE STORY BASED ON FRG PRESS SPOKESMAN GREUNEWALDS' COMMENTS. THE FAZ REPORTED THAT BRANDT REACTED POSITIVELY TO THE PRESIDENT'S SUGGESTION AND THAT BRANDT AGREED WITH THE PRESIDENT'S EXPRESSED WISH FOR A HARMONIZATION OF INTERESTS BETWEEN ENERGY CONSUMING AND PRODUCING COUNTRIES. AS WITH OTHER STORIES, IT POINTED OUT THAT CERTAIN EC STATES HAD NOT BEEN INVITED. THE FRANKFURT RUNDSCHAU NOTED THAT THE FRG WILL TRY TO BRING ABOUT A COMMON EC POSITION ON THE PROPOSAL. DIE WELT, ON THE SAME DAY, CARRIED A FRONT-PAGE STORY REPORTING PREDOMINANTLY POSITIVE REACTION TO THE INVITATION BY INVITED CAPITALS WHILE NOTING AN EC COMMISSION VIEW THAT ALL NINE MEMBERS OF THE EC SHOULD HAVE BEEN INVITED. THE GENERAL ANZEIGER REPORTED THAT GREUNEWALD SAID THE PRESIDENT'S INITIATIVE WILL BE DISCUSSED DURING THE BRUSSELS COUNCIL OF MINISTERS MEETING AND THEN BE ANSWERED.

3. AN EDITORIAL BY HANS BAUMANN IN DIE WELT ON JANUARY 11 POINTED OUT THE NEED FOR A POLITICAL REACTION TO PROTECT THE PROSPERITY OF WESTERN INDUSTRIALIZED NATIONS. BAUMANN CLAIMED THAT PROSPECTS FOR A SUCCESSFUL CONFERENCE WERE GOOD SINCE ALL COUNTRIES ARE EXPOSED TO ARBITRARIENESS IN THE OIL MARKET, BUT WARNED AGAINST TRYING TO REDUCE THE EGOISM OF THE INDIVIDUAL CONSUMERS SINCE EACH HAVE THEIR BILATERAL INTERESTS. A PERMANENT OIL CONFERENCE WOULD, ACCORDING TO BAUMANN, GENERATE POLITICAL GRAVITATION GRADUALLY ATTRACTING THE OIL PRODUCERS, SINCE IT COULD HELP BRING BACK THE REALIZATION THAT PRODUCTION AND CONSUMPTION SERVES BOTH GROUPS OF COUNTRIES. THE GENERAL ANZEIGER EDITORIALIZED ON THE QUOTE HISTORICAL SIGNIFICANCE END QUOTE OF THE PRESIDENT'S INVITATION,

UNCLASSIFIED

NNN

UNCLASSIFIED

PAGE 01 BONN 00661 02 OF 02 141757Z

50

ACTION EUR-25

INFO OCT-01 ISO-00 CIAE-00 DODE-00 INR-10 NSAE-00 PA-04

RSC-01 USIA-15 PRS-01 SPC-03 PM-07 NSC-10 SS-20 EB-11

COME-00 SCEM-02 SCI-06 INT-08 NEA-10 AF-10 ARA-16

EA-11 IO-14 DRC-01 TRSE-00 OMB-01 CEA-02 CIEP-02 /191 W

----- 096455

R 141743Z JAN 74

FM AMEMBASSY BONN

TO SECSTATE WASHDC 9704

INFO AMEMBASSY PARIS

AMEMBASSY LONDON

AMEMBASSY BRUSSELS

AMEMBASSY COPENHAGEN

AMEMBASSY DUBLIN

AMEMBASSY ROME

AMEMBASSY LUXEMBOURG

AMEMBASSY THE HAGUE

USMISSION EC BRUSSELS

USMISSION OECD PARIS

UNCLAS SECTION 02 OF 02 BONN 00661

POINTING OUT THAT HIS SUGGESTION TO COORDINATE THE INTERESTS OF OIL PRODUCERS AND CONSUMERS IS NEW IN A FIELD IN WHICH NATIONAL INTEREST USUALLY IS A PREDOMINANT CONSIDERATION. IT SPECULATED THAT THE DECISION BY THE WHITE HOUSE TO INVITE SPECIFIC INDUSTRIAL COUNTRIES WAS ONE TAKEN BY THE NEED TO IDENTIFY THE MOST IMPORTANT OIL CONSUMERS. IT FURTHER EXPRESSED THE HOPE THAT A COMMON ANALYSIS OF THE SITUATION WILL SHOW THAT SOLIDARITY AMONG THE CONSUMERS WILL BE THE ONLY WAY TO OVERCOME NATIONAL EGOISM AND ALSO WOULD HELP PUT THE PRODUCER/CONSUMER RELATIONS ON A NEW BASIS. A HANDELSBLATT EDITORIAL ON THE 11TH CLAIMED THE PRESIDENT'S INVITATION HAD CAUSED CONFUSION WITH THE EC. IT REPEATED THE EC COMMISSION'S WARNING AGAINST NATIONAL REPLIES.

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 BONN 00661 02 OF 02 141757Z

4. A LONG ANALYSIS, BASED ON A REPORT BY DEAN DENIZET, DIRECTOR OF RESEARCH FOR THE BANK OF PARIS AND THE NETHERLANDS, AND APPEARING IN HANDELSBLATT CLAIMED THAT INCREASED OIL PRICES WOULD PLACE THE TRADE BALANCES OF ALL MAJOR INDUSTRIAL COUNTRIES, WITH THE EXCEPTION OF THE FRG, IN THE RED. ASSUMING DOLS 10/BARREL OIL IN 1985, DENIZET ESTIMATES A THIRTEEN TIME INCREASE IN PAYMENTS TO OPEC COUNTRIES FOR OIL OVER 1972, A TOTAL OF DOLS 174 BILLION. THE WRITER STATES THAT THE USG WAS THE FIRST TO

RECOGNIZE THIS THREAT AND POINTS OUT THAT PRESIDENT
NIXON'S INVITATION PROVIDES A POSSIBILITY TO ESTABLISH
RULES OF THE GAME FOR THE COMING YEARS. CONCLUDING ON A
PESSIMISTIC NOTE, HOWEVER, THE WRITER DOUBTS THERE WILL
BE SUCCESS AT THE FEBRUARY 11 MEETING DUE TO THE HESI-
TANCY OF JAPAN AND TO FRANCE'S UNILATERAL ARRANGEMENTS
WITH CERTAIN ARAB COUNTRIES.
HILLENBRAND

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PRESS COMMENTS, PETROLEUM, IMPORTS, LESS DEVELOPED COUNTRIES, FOREIGN MINISTERS MEETINGS
Control Number: n/a
Copy: SINGLE
Draft Date: 14 JAN 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974BONN00661
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: n/a
From: BONN
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19740144/aaaabpsr.tel
Line Count: 177
Locator: TEXT ON-LINE
Office: ACTION EUR
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 4
Previous Channel Indicators:
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: golinofr
Review Comment: n/a
Review Content Flags:
Review Date: 22 FEB 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <22 FEB 2002 by elbezefj>; APPROVED <28 MAY 2002 by golinofr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: PRESS REACTION TO PRESIDENT NIXON'S PROPOSAL FOR AN ENERGY CONFERENCE
TAGS: ENRG, PFOR, GE, (NIXON, RICHARD M)
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005